



General Assembly

January Session, 2017

Committee Bill No. 23

LCO No. 4559



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:
(INS)

**AN ACT REQUIRING SETTING-NEUTRAL REIMBURSEMENT
POLICIES IN CONTRACTS BETWEEN HEALTH CARRIERS AND
HEALTH CARE PROVIDERS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-472i of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2017*):

3 [Each insurer, health care center, hospital service corporation,
4 medical service corporation or fraternal benefit society that delivers,
5 issues for delivery, renews, amends or continues an individual or
6 group health insurance policy providing coverage of the type specified
7 in subdivisions (1), (2), (4), (11) and (12) of section 38a-469 in this state,
8 and contracts directly with a physician or physician group or
9 physician organization to provide medical services under such policy
10 shall, at such contracted physician's or physician's group's or
11 physician's organization's request, establish a payment amount for the
12 physician's professional services component of colonoscopy or
13 endoscopic services covered under such policy, that is the same
14 regardless of where the physician's professional services are
15 performed. Such payment amount for the physician's professional

16 services shall not be less than the amount that would otherwise be
 17 paid to such contracted physician or physician group or physician
 18 organization if the services are performed at a facility other than an
 19 outpatient surgical facility, as defined in section 19a-493b. Nothing in
 20 this section shall prohibit a contracted physician or physician group or
 21 physician organization from agreeing to a different payment
 22 methodology for colonoscopy or endoscopic services.]

23 (a) Each health insurer, health care center, hospital service
 24 corporation, medical service corporation, preferred provider network
 25 or other entity that contracts with health care providers to provide
 26 health care services to its insureds or enrollees shall include in each
 27 such contract that is entered into, renewed or amended on or after
 28 October 1, 2017, setting-neutral reimbursement policies as
 29 recommended by the Medicare Payment Advisory Commission's June
 30 2013, Report to the Congress: Medicare and the Health Care Delivery
 31 System. Such reimbursement policies shall, at a minimum, (1) require
 32 reimbursement that is the same for all health care providers regardless
 33 of the setting where the services are performed for (A) evaluation and
 34 management visits, (B) services classified by said commission as
 35 Group 1 ambulatory payment classification in said report, and (C)
 36 ambulatory surgical procedures and services identified by said
 37 commission as appropriate for equal reimbursement, and (2) limit
 38 reimbursement differentials to only the amount necessary for the
 39 actual cost of packaging ancillary services for services classified by
 40 said commission as Group 2 ambulatory payment classification in said
 41 report.

42 (b) Each contract under subsection (a) of this section shall include a
 43 conspicuous statement that the contract complies with setting-neutral
 44 reimbursement policies as required by law.

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2017	38a-472i
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Statement of Purpose:

To require setting-neutral reimbursement policies to be included in contracts between health insurers and other entities that contract with health care providers for the provision of health care services.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: SEN. LOONEY, 11th Dist.

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